



**BAC 7710-FW-P**

**POSTAL REGULATORY COMMISSION**

**[Docket No. R2019-1; Order No. 4851]**

**Market Dominant Price Adjustment**

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** The Commission is noticing a recently filed Postal Service notice of inflation-based rate adjustments affecting market dominant domestic and international products and services, along with temporary mailing promotions and numerous proposed classification changes. The adjustments and other changes are scheduled to take effect January 27, 2019. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

**DATES:** *Comments are due:* October 30, 2018.

**ADDRESSES:** Submit comments electronically via the Commission's Filing Online system at <http://www.prc.gov>. Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER**

**INFORMATION CONTACT** section by telephone for advice on filing alternatives.

**FOR FURTHER INFORMATION CONTACT:** David A. Trissell, General Counsel, at 202-789-6820.

**SUPPLEMENTARY INFORMATION:**

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### **I. Introduction and Overview**

On October 10, 2018, the Postal Service filed a notice of inflation-based price adjustments affecting market dominant domestic and international products and services, along with temporary mailing promotions and numerous proposed classification changes to the Mail Classification Schedule (MCS).<sup>1</sup> The intended effective date is January 27, 2019. Notice at 1. The Notice, which was filed pursuant to 39 U.S.C. 3622 and 39 CFR part 3010, triggers a notice-and-comment proceeding.<sup>2</sup>

*Contents of filing.* The Postal Service's filing consists of the Notice, which the Postal Service represents addresses the data and information required under 39 CFR 3010.12; four attachments (Attachments A-D) to the Notice; and eight sets of workpapers filed as library references.

Attachment A presents the proposed price and related product description changes to the MCS. Notice, Attachment A. Attachments B and C address workshare discounts and the price cap calculation, respectively. Notice, Attachments B and C. Attachment D presents the promotions schedule. Notice, Attachment D.

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<sup>1</sup> United States Postal Service Notice of Market-Dominant Price Change, October 10, 2018 (Notice).

<sup>2</sup> This is a Type 1-B proceeding. See 39 CFR part 3010, subparts A–C for additional information.

Several library references present supporting financial documentation for the five classes of mail. Notice at 4-5 nn. 7-9. The Postal Service filed one library reference pertaining to the two international mail products within First-Class Mail (Outbound Single-Piece First-Class Mail International and Inbound Letter Post) under seal and applied for non-public treatment of those materials.<sup>3</sup>

*Planned price adjustments.* The Postal Service's planned percentage changes by class are, on average, as follows:

Market Dominant Class	Planned Price
	Adjustment (%)
First-Class Mail	2.486
USPS Marketing Mail	2.479
Periodicals	2.52
Package Services	2.522
Special Services	2.512

Notice at 4.

Price adjustments for products within classes vary from the average. See, e.g., *id.* at 6, 15 (Table 5 showing range for First-Class Mail products and Table 7 showing range for USPS Marketing Mail products). Most of the planned adjustments entail increases to market dominant rates and fees; however, in a few instances, the Postal Service proposes either no adjustment or a decrease. See *id.* at 6.

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<sup>3</sup> See USPS Notice of Filing USPS-LR-R2019-1/NP1, October 10, 2018, Attachment 1.

*Proposed classification changes.* The Postal Service proposes numerous classification changes in its Notice and identifies the impact on the MCS in Attachment A. *Id.* at 32-34; *id.* Attachment A.

*Calendar Year 2019 promotions.* The Postal Service seeks approval for the following six promotions for the indicated periods:

- Emerging and Advanced Technology Promotion  
(Mar. 1 – Aug. 31, 2019);
- Mobile Shopping Promotion (Aug. 1 – Dec. 31, 2019);
- Tactile, Sensory and Interactive Mailpiece Engagement Promotion  
(Feb.1 – July 31, 2019);
- Personalized Color Transpromo Promotion (July 1 – Dec. 31, 2019);
- Informed Delivery Promotion (Sept.1 – Nov. 30, 2019); and
- Earned Value Reply Mail Promotion (Apr. 1 – June 30, 2019).

Notice, Attachment D.

## **II. Initial Administrative Actions**

Pursuant to 39 CFR 3010.11(a), the Commission establishes Docket No. R2019-1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Notice. The Commission invites comments from interested persons on whether the Postal Service's filing is consistent with the applicable statutory and regulatory requirements, including 39 U.S.C. 3622 and 39 CFR part 3010. Comments are due no later than October 30, 2018.

The public portions of the Postal Service's filing are available for review on the Commission's Web site (<http://www.prc.gov>). Comments and other material filed in this proceeding will be available for review on the Commission's Web site, unless the information contained therein is subject to an application for non-public treatment. The Commission's rules on non-public materials (including access to documents filed under seal) appear in 39 CFR part 3007.

Pursuant to 39 U.S.C. 505, the Commission appoints Kenneth R. Moeller to represent the interests of the general public (Public Representative) in this proceeding.

### **III. Ordering Paragraphs**

*It is ordered:*

1. The Commission establishes Docket No. R2019-1 to consider the planned price adjustments for market dominant postal products and services, as well as the related classification changes, identified in the Postal Service's October 10, 2018 Notice.

2. Comments on the planned price adjustments and related classification changes are due no later than October 30, 2018.

3. Pursuant to 39 U.S.C. 505, Kenneth R. Moeller is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.

4. The Commission directs the Secretary of the Commission to arrange for prompt publication of this notice in the **Federal Register**.

**Stacy L. Ruble,**

*Secretary.*

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